

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WINC, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11238 (LSS)

(Jointly Administered)

**NOTICE OF SALE, BIDDING PROCEDURES,
AUCTION, SALE HEARING, AND OBJECTION DEADLINE**

PLEASE TAKE NOTICE THAT on December 7, 2022, the above-captioned debtors and debtors in possession (each, a “Debtor” and, collectively, the “Debtors”) filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) their motion (the “Motion”)² for entry of (a) an order (i) approving bidding procedures, substantially in the form attached as **Annex 1** to the Bidding Procedures Order (the “Bidding Procedures”), to govern the marketing and sale of all or substantially all of the Debtors’ assets (the “Assets”), (ii) approving bid protections in connection therewith, (iii) authorizing the Debtors to schedule an auction to sell the Assets (the “Auction”), (iv) scheduling the hearing to approve a sale of the Assets (the “Sale Hearing”) for a date that is on or before January 17, 2023, (v) approving the form and manner of notice of the proposed sale transactions, the Bidding Procedures, the Auction, the Sale Hearing, and related dates and deadlines, and (vi) authorizing procedures governing the assumption and assignment of certain executory contracts and unexpired leases (the “Assigned Contracts”) to the prevailing bidder(s) acquiring the Debtors’ assets (each, a “Successful Bidder”); and (b) one or more orders (collectively, the “Sale Order”) (i) approving the applicable form(s) of purchase agreement between the Debtors and the Stalking Horse Bidder (as defined below) or any other Successful Bidder(s), and (ii) authorizing the sale(s) (collectively, the “Sale”) of the Assets and the assumption and assignment of the Assigned Contracts to the Stalking Horse Bidder or such other Successful Bidder free and clear of all liens, claims, encumbrances, and other interests (collectively, “Liens”), other than any permitted Liens as set forth in the applicable form(s) of purchase agreement.

PLEASE TAKE FURTHER NOTICE THAT on December 22, 2022, the Bankruptcy Court entered the *Order (I) Approving Bidding Procedures in Connection with the Sale of the Debtors’ Assets and Related Bid Protections, (II) Approving Form and Manner of Notice, (III) Scheduling Auction and Sale Hearing, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Contracts and Unexpired Leases, and (V) Granting Related Relief* [Docket

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Winc, Inc. (8960); BWSC, LLC (0899); and Winc Lost Poet, LLC (N/A). The Debtors’ mailing address for purposes of these chapter 11 cases is 1751 Berkeley Street, Studio 3, Santa Monica, CA 90404.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures. Any summary of the Bidding Procedures Order or the Bidding Procedures contained herein is qualified in its entirety by the actual terms and conditions thereof. To the extent that there is any conflict between any such summary and such actual terms and conditions, the actual terms and conditions shall control.

No. 85] (the “Bidding Procedures Order”) and the Bidding Procedures attached thereto as **Annex 1**. Pursuant to the Bidding Procedures Order, if the Auction goes forward, it shall be held at the offices of Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, on January 11, 2023 at 10:00 a.m. (prevailing Eastern Time). Only Qualified Bidders and the Stalking Horse Bidder shall be entitled to make any bids.

PLEASE TAKE FURTHER NOTICE THAT to participate in the bidding process or otherwise be considered for any purpose under the Bidding Procedures, a person or entity (other than the Stalking Horse Bidder) interested in consummating a Sale (a “Potential Bidder”) must deliver or have previously delivered to counsel for the Debtors, the Investment Banker, counsel to the Prepetition Secured Lender, and proposed counsel to the Committee:

- (i) an executed confidentiality agreement on terms acceptable to the Debtors, to the extent not already executed; and
- (ii) information demonstrating (in the Debtors’ reasonable business judgment) that the Potential Bidder has the financial capability to consummate the applicable Sale, including, but not limited to, the most current audited and latest unaudited financial statements (the “Financials”) of the Potential Bidder (or such other form of financial disclosure acceptable to the Debtors in their discretion) (or, if the Potential Bidder is an entity formed for the purpose of acquiring the Assets, (x) Financials of the equity holder(s) of the Potential Bidder or such other form of financial disclosure as is acceptable to the Debtors, in consultation with: (a) counsel for the DIP Lender (only in the event that the DIP Lender is no longer the Stalking Horse Bidder), (b) counsel for the Prepetition Secured Lender, and (c) the advisors to the Committee (collectively, the “Consultation Parties”);³ and (y) a written funding commitment acceptable to the Debtors and their advisors, in consultation with the Consultation Parties, of the equity holder(s) of the Potential Bidder to be responsible for the Potential Bidder’s obligations in connection with the applicable Sale).

For the avoidance of doubt, in the event of a Joint Bid, each person or entity party to such Joint Bid must submit the above information in accordance with the terms thereof and meet the above requirements in order to qualify as a Potential Bidder.

Each Bid must be transmitted in writing so as to be actually received by the Notice Parties on or before **12:00 p.m. (prevailing Eastern Time) on January 9, 2023** (the “Bid Deadline”).

The prevailing Bid will be subject to Bankruptcy Court approval. The Sale Hearing to approve the Sale to one or more Successful Bidders, free and clear of all liens, claims, interests, charges, and encumbrances (with any such liens, claims, interests, charges, and encumbrances attaching to the net proceeds of the Sale with the same rights and priorities therein as in the sold Assets), shall take place at **2:00 p.m. (prevailing Eastern time) on January 17, 2023**, or as soon

³ Notwithstanding anything to the contrary in these Bidding Procedures, the Debtors shall not be required to consult with the DIP Lender in connection with the sale of the Assets until such credit bid through the Stalking Horse Agreement (as defined below) is withdrawn by the DIP Lender in writing solely at its discretion.

thereafter as the Debtors may be heard, before the Honorable Laurie Selber Silverstein in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 6th Floor, Courtroom No. 2, Wilmington, Delaware 19801.

The Sale Hearing may be adjourned by the Debtors from time to time without further notice to creditors or other parties in interest, except as may be required by the Bidding Procedures, other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by filing a notice on the docket of the Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE THAT any objections to the Sale or the relief requested in connection with the Sale (a “Sale Objection”) must: (a) be in writing; (b) comply with the Bankruptcy Rules; (c) set forth the specific basis for the Sale Objection; and (d) be served upon (such as to be actually received by) the following parties (the “Objection Notice Parties”) on or before **4:00 p.m. (prevailing Eastern Time) on January 9, 2023** (the “Sale Objection Deadline”).

- (a) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: Michael R. Nestor, Esq. (mnestor@ycst.com), Matthew B. Lunn, Esq. (mlunn@ycst.com), and Allison S. Mielke, Esq. (amielke@ycst.com);
- (b) the U.S. Trustee, 844 King Street, Room 2207, Wilmington, DE 19801, Attn: Jane Leamy, Esq. (jane.m.leafy@usdoj.gov);
- (c) counsel to the DIP Lender; Cooley LLP, 110 N. Wacker Drive, Suite 4200, Chicago, IL 60606, Attn: Eric E. Walker, Esq. (ewalker@cooley.com), and Joseph Brown, Esq. (jbrown@cooley.com);
- (d) co-counsel to the DIP Lender, Morris, Nichols, Arsht & Tunnell LLP, 1201 N. Market Street, P.O. Box 1347, Wilmington, DE 19899, Attn: Curtis S. Miller, Esq. (cmiller@mnat.com) and Derek C. Abbott, Esq. (dabbott@mnat.com);
- (e) counsel to Banc of California, N.A., as successor-by-merger to Pacific Mercantile Bank (the “Prepetition Secured Lender”), Pachulski Stang Ziehl & Jones LLP, 10100 Santa Monica Boulevard, 13th Floor, Los Angeles, CA 90067, Attn: Richard M. Pachulski, Esq. (rpachulski@pszj.com) and Maxim Litvak, Esq. (mlitvak@pszjlaw.com); and
- (f) proposed counsel to the official committee of unsecured creditors appointed in these Chapter 11 Cases (the “Committee”), ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor New York, NY 10019 Attn: George Angelich, Esq. (george.angelich@afslaw.com); 800 Boylston Street, 32nd Floor, Boston, MA 02199 Attn: Justin Kesselman, Esq. (justin.kesselman@afslaw.com) and James Britton, Esq. (james.britton@afslaw.com); A.M. Saccullo Legal LLC, 27 Crimson King Dr., Bear, DE 19701 Attn: Anthony M. Saccullo, Esq. (ams@saccullolegal.com) and Mark Hurford (mark@saccullolegal.com).

If a Sale Objection is not filed and served in accordance with the foregoing requirements, the objecting party shall be barred from objecting to the Sale and shall not be heard at the Sale Hearing, and the Bankruptcy Court may enter the Sale Order without further notice to such party.

PLEASE TAKE FURTHER NOTICE THAT copies of the Motion, the Bidding Procedures, the Bidding Procedures Order, and all pleadings and orders of the Bankruptcy Court are publicly available, for a fee via PACER at: <http://www.deb.uscourts.gov>, or free of charge from the Claims Agent at <https://dm.epiq11.com/Winc>.

Dated: December 22, 2022
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

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Proposed Counsel to the Debtors and Debtors in Possession